AMENDED IN ASSEMBLY MARCH 29, 2007

CALIFORNIA LEGISLATURE—2007—08 REGULAR SESSION

ASSEMBLY BILL

No. 242

Introduced by Assembly Member Blakeslee

February 1, 2007

An act to add Section-25305.1 to the Public Resources 38562.5 to the Health and Safety Code, relating to energy global warming.

LEGISLATIVE COUNSEL'S DIGEST

AB 242, as amended, Blakeslee. Energy policy: emissions Emissions of greenhouse gases: reduction.

The Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases that cause global warming in order to reduce emissions of greenhouse gases. Under the act, the state board is required to adopt a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions levels in 1990 to be achieved by 2020, and requires the state board to adopt rules and regulations in an open public process to achieve the maximum technologically feasible and cost-effective greenhouse gas emission reductions. The act requires the state board, on or before January 1, 2011, to adopt greenhouse gas emission limits and emission reduction measures by regulation to achieve the maximum technologically feasible and cost-effective reductions in greenhouse gas emissions in furtherance of achieving the statewide greenhouse gas emissions limit, to become operative beginning on January 1, 2012. The act specifically requires those regulations to ensure that entities that have voluntarily reduced their greenhouse gas emissions before AB 242 — 2 —

the implementation of the regulations receive appropriate credit for early voluntary reductions.

This bill would declare that it is the policy of the state and the intent of the Legislature to encourage voluntary actions to achieve near-term reductions in emissions of greenhouse gases through investments in cost-effective, available solutions. The bill would require that an entity that has voluntarily reduced its emissions of greenhouse gases through such investments receive credit from the state board for early action. The bill would authorize an entity that has received credit for early action to further minimize its carbon footprint through the purchase of offsets for the emission of greenhouse gases as authorized by the state board.

Under existing law, the State Energy Resources Conservation and Development Commission (Energy Commission), the State Air Resources Board, and the California Climate Action Registry all have responsibilities with respect to the control of emissions of greenhouse gases, and the Secretary for Environmental Protection is required to coordinate emission reductions of greenhouse gases and climate change activity in state government. Under the Warren-Alquist State Energy Resources Conservation and Development Act, the Energy Commission develops policy recommendations for public interest energy strategies, including statewide reductions in emissions of greenhouse gases and addressing the impacts of climate change on California.

This bill would make legislative findings and declarations regarding the policy and intent of the state with regard to reductions in emissions of greenhouse gases.

Vote: majority. Appropriation: no. Fiscal committee: no yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 38562.5 is added to the Health and Safety 2 Code, to read:
- 3 38562.5. (a) It is the policy of the state and the intent of the
- 4 Legislature to encourage voluntary actions to achieve near-term
- 5 reductions in emissions of greenhouse gases through investments
- 6 in cost-effective, available solutions, including, but not limited to, 7 end-use energy efficiency, demand-side management, renewable
- 8 energy, combined heat and power, and alternative fuel vehicles.

-3— AB 242

(b) An entity that has voluntarily reduced its emissions of greenhouse gases through investments as described in subdivision (a) shall receive credit from the state board for early action, as described in paragraph (3) of subdivision (b) of Section 38562.

(d) An entity that has received credit for early action pursuant to subdivision (b) may further minimize its carbon footprint through the purchase of offsets for the emission of greenhouse gases as authorized by the state board.

SECTION 1. Section 25305.1 is added to the Public Resources Code, to read:

25305.1. The Legislature finds and declares all of the following:

- (a) An important goal of the state is to reduce by 2020 statewide greenhouse gas emission levels to 1990 levels.
- (b) It is the policy of the state and the intent of the Legislature to encourage voluntary actions to achieve near-term reductions in emissions of greenhouse gases through investments in cost-effective, available solutions, including, but not limited to, end-use energy efficiency, demand-side management, renewable energy, combined heat and power, and alternative fuel vehicles.
- (c) It is also the intent of the Legislature that an entity that has voluntarily reduced its emissions of greenhouse gases before January 1, 2012, receive credit for early action.
- (d) It is the further intent of the Legislature that an entity that has minimized its carbon footprint through voluntary actions to achieve near-term reductions in emissions of greenhouse gases through cost-effective, available solutions, have the opportunity to become carbon-neutral through the purchase of offsets for the emission of greenhouse gases.